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The Antigonish Movement



A Lecture to the Students of
Acadia University

by

**Harry G. Johnson, Professor of Economics
St. Francis Xavier University**



Published by

**Extension Department St. Francis Xavier University
Antigonish, Nova Scotia.**



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The Antigonish Movement

Before I begin my talk, I should like to express my thanks to Professor Mosher, and to you, students of Acadia University, for extending an invitation to speak to you about the work being carried on by the Extension Department of my University. I am very grateful for the opportunity to talk to you on this subject, as I believe that the students and staff of different universities have much to gain by closer contacts with each other; especially Universities in the same region, such as the Maritimes, whose constituents face common social and economic problems.

The subject of my talk is the program of adult education and economic co-operation being carried on under the sponsorship of the Extension Department of St. Francis Xavier University, a program generally referred to as the Antigonish movement. The Antigonish movement may be described briefly as a practical program of social reform, based on the principle of self-education and action by the people themselves, organized in community groups. The economic technique employed is that of co-operation, with emphasis placed on consumers' cooperation, although producers' cooperation is also used.

The Antigonish movement is often described as a co-operative movement. This is not strictly true: while the movement employs economic co-operation as its technique, its ultimate aim is a fuller and more abundant life for everyone in the community. That ultimate aim is to be achieved by the process of adult education, in which process co-operation is the economic program. Co-operation is therefore removed by two stages from the ultimate aim of the movement, and is viewed as a means to a broader end, not as an end in itself.

What I have to say about the Antigonish movement should prove of interest to you, both as students of economics and as students of political theory. To the political theorist, the Antigonish movement is significant because it looks to the founding of a new order, which will provide a fuller and more abundant life for all, a new order to be based on co-operative rather than competitive principles, and to be achieved through educational rather than political action. To the economist, both producer and consumer co-operation present alternative principles of economic organization to the

one now dominant, namely, the profit motive. By and large, excluding wartime conditions, our economic system is organized by the owners of capital, and the gains from such organization accrue to the entrepreneur in the form of profits on investment. Producers' co-operation aims at giving the producers themselves control over the means of production and/or distribution, and distributing the gains from operations in proportion to the productivity, rather than the ownership, of the individual. Consumers' co-operation involves an even more striking challenge to the capitalist organization of the economic system: the means of distribution, and eventually of production, are owned by the consumers themselves, and operated to provide service for the consumer rather than profit for the producer; the gains from efficient operation give rise to consumer savings, which are distributed in proportion to purchases, not in proportion to ownership. Consumers' co-operation involves a more functional economic order, in which production and distribution are guided by consumer wants, and geared to know demand rather than dependent on the uncertainty of the market. It is with consumers' co-operation that the Antigonish movement is particularly concerned, since producers' co-operation is harder to organize successfully, and is not as well suited to the ultimate aims of the movement, the development of the individual personality.

THE MARITIME PROBLEM

The Antigonish movement should be of special interest to you as Maritime Students, because co-operation offers a solution to many of the most pressing Maritime problems. The Maritime economy is predominantly an economy of primary producers—producers of agricultural, fishery, and forest products, and of industrial raw materials such as coal and steel; and, in common with other regions producing primary products, the Maritimes have been subjected to increasing economic pressure with the development of corporate capitalism. Maritime producers have been increasingly squeezed between the monopolistic prices set by the large companies from which they must buy their supplies and equipment, and the monopsonistic prices set by the big corporations to which they must sell their produce or their labour. The economic power of these corporations enables them to appropriate the profits of production, and to pass on the burden of economic fluctuations in large part to the primary producer.

The problem of the Maritimes is to a large extent the problem of the large monopolistic or semi-monopolistic (i. e.

monopolistically competitive) corporation. Legislative control has been attempted in the past, but has largely proved ineffective; moreover, it has been more than offset by the legislative favours the corporations have been able to obtain, particularly in the form of tariffs. The only effective check on these super-corporations is for the people to go into business for themselves, both to secure to themselves the profits made on their own business, and by their competition to exercise control over the activities of the companies. Co-operation, not legislation, is the most direct route to the control of the modern corporations.

Those considerations should serve as an introduction to my topic, the Antigonish movement. I shall endeavour to describe briefly the development of the movement, the guiding principles evolved during that development, the techniques used in the educational work, and some of the fields in which co-operative methods have been successfully applied. I shall conclude with some remarks on the role of co-operation in the postwar world, and then give you an opportunity to ask questions.

HISTORY OF THE MOVEMENT

The Antigonish movement had its origin in the early 1920's, in the realization by a group of the professors of St. F. X. that, despite the educational efforts being made at the time, the masses of the people were still cut off from the good things of life: their economic situation, far from improving, was steadily deteriorating. The solution, these men thought, lay in bringing University education to the people. The group, which included Dr. J. J. Tompkins, the originator of the adult education movement in Nova Scotia, and Dr. Hugh MacPherson, began to experiment with what was known as "People's Schools". Groups of people with varying educational backgrounds were brought to the campus for a period of six weeks, and given courses in various University subjects. The response to these "People's Schools" showed that the people were anxious and able to learn; but they had to be discontinued after four years, owing both to the difficulty of teaching University subjects to the ordinary man, and to the novelty of the idea of adult education. Moreover, they could never hope to carry education to the masses of the people.

The second stage in the development of the movement came with the initiation, largely as a result of the efforts of Major the Rev. Michael Gillis and Right Rev. John R. MacDonald (now Bishop of Peterborough), of Rural Conferences, which later became Rural and Industrial Conferences. The Maritimes, as you know, did not share in the prosperity

of the 1920's which was enjoyed by the rest of Canada: they never really recovered from the postwar depression. These conferences brought together community leaders—priests, agricultural representatives, and later professional and business men and labour leaders—to consider and discuss community problems. The conferences, while they did not result in any significant practical proposals, did serve to demonstrate the fundamental significance of economic problems, and to convince the leaders of the movement that education to meet economic problems must be the first step in social reform; that has been one of the key principles of the Antigonish movement since that time.

EXTENSION DEPARTMENT ESTABLISHED

Out of these Rural and Industrial Conferences, and various community experiments being carried on by the College, grew the desire for an Extension Department, to push the work of adult education. The Extension Department was established in 1928, with the support of the University Alumni Association and the Scottish Catholic Society, and since then it has been the guiding organization in the development of the movement. Dr. M. M. Coady, who had developed the role of economic cooperation in adult education through various community experiments, became the director of the Department. At the request of the Federal Department of Fisheries, the Extension Department began its work in the fishing communities of the Maritimes and the Magdalen Islands, and organized the United Maritime Fishermen, which carries on both co-operative marketing and co-operative purchasing of supplies. From the fishermen, the movement spread to the agricultural communities of the seven eastern counties of Nova Scotia, and from there, especially after the discovery of the credit union, to the industrial areas of Cape Breton.

The period before and after the establishment of the Extension Department was a period of experimentation, during which the principles and techniques of the movement were hammered out. Those principles and techniques had to be created new, for no other Extension Department in North America was attempting to do what St. F. X. was attempting: to educate the people to improve their own economic lot. Consequently, techniques and principles had to be evolved as the movement grew.

PRINCIPLES

The essence of the philosophy on which the Antigonish movement is based is contained in six principles. The first

of these is the primacy of the individual. This principle is based on both religious and democratic theory: religion emphasizes the dignity of man, created in the image and likeness of God; democracy stresses the value of the individual, and the development of individual capacities as the purpose of social organization. Both religion and democracy support the principle that social and economic institutions must be adapted to the requirements of man, and not man to the institutions.

The primacy of the individual gives rise to the second principle, the social reform must come through education. Social progress, in a democracy, must come through the action of the citizens; it can only come if there is an improvement in the quality of the people themselves. That improvement, in turn, can only come through education.

It is possible, under a non-democratic system, for a minority to coerce the majority into the acceptance of major social reforms; but in a democracy, social reform must be the result of voluntary action by the majority; and that voluntary action will only occur when the people have become sufficiently well educated. It is on this point, the necessity of social reform through education, that the Antigonish movement disagrees with those who look for social reform by political methods alone: for while you can legislate an improvement in institutions, you cannot legislate an improvement in the character of the citizens; but without an improvement in the character of the citizens, social reform cannot be permanently effective. Effective social reform in a democracy is conditioned by the level of development of the people, and is dependent on the improvement in the quality of the people by education.

The third principle is that education must begin with the economic. In the first place, the people are most keenly interested in and concerned with economic needs; and it is good technique to suit the educational effort to the most intimate interests of the individual or group. In the second place, economic reform is the most immediate necessity, because the economic problems of the world are the most pressing. Especially is this true for primary producing areas such as the Maritimes, dependent on world markets and extremely sensitive to economic fluctuations.

The economic program of the Antigonish movement is co-operation, both producers' and consumers'. Co-operation involves both a specific method of doing business, and a particular type of economic philosophy. This philosophy may be outlined briefly as follows:

The inferior economic position of the masses of the

people is in large part due to their own default, their failure to retain control over their own business: they have surrendered the exercise of their rights, both as producers and as consumers, and are suffering the consequences. Their producer rights disappeared during the Industrial Revolution, with the development of the factory system and large-scale production and distribution; their consumer rights lapsed when, instead of developing their own businesses to serve themselves, the people permitted themselves to be serviced by specialists operating for their own profits. It is probably impossible for the people to regain their control over the economic system as producers, although some results are possible through co-operative production and marketing; but it is possible for the people to regain economic control through resuming their rights as consumers, that is, by going into business for themselves, setting up their own stores, credit unions, and other co-operative consumer institutions. Through the exercise of their consumer rights the people can regain control over production and distribution; and the economic system will once more serve the people. For this, a completely co-operative economy is not necessary: if co-operative enterprise can gain control of, say, twenty percent of the economy, that will suffice to restore control to the hands of the people.

A more complete exposition of the philosophy of consumers' co-operation may be found in "Masters of Their Own Destiny", or in a book by H. M. Kallen, entitled "The Decline and Rise of the Consumer".

The fourth principle of the Antigonish movement is that education must be through group action. Group action is natural, because man is a social being: not only is man commonly organized into groups, but his problems are commonly group problems. Any effective adult education program must fit into this basic group organization of society. Moreover, group action is essential to success under modern conditions: you cannot get results, in business or polities, without organization. This principle, that education must come through group action, finds its practical application in the study club method of adult education, and the co-operative method of doing business: by these methods the people educate themselves, the more intelligent assisting the less intelligent.

The fifth principle is that effective social reform involves fundamental changes in social and economic institutions. It is necessary to face the fact that real reform will necessitate

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strong measures of change, which are likely to prove unpopular in certain quarters.

The final principle is that the ultimate objective of the movement is a full and abundant life for everyone in the community. Economic co-operation is the first step, and only the first step, towards a society which will permit every individual to develop to the utmost limit of his physical and mental capacities.

TECHNIQUES

That is, in very brief and condensed form, the philosophy of the Antigonish movement. The next section of this lecture will be concerned with the way in which the principles are applied in carrying on the work of adult education among the people. The practical techniques fall under four main classifications: the mass meeting, the study club, the association of study clubs, and subsidiary techniques of organization.

The first step in organization is always the mass meeting. All interested people in the community are invited to attend a Mass Meeting, which is addressed by speakers provided by the Extension Department. The aim of the mass meeting is two-fold: to break up the complacent acceptance of the people of their economic lot and get them into the mood to do something about it; and to show them the possibility of the people taking action to remedy their own economic and social problems.

Most people are unprepared to think seriously about their own problems; they tend to adopt easy rationalizations, which pass the blame for their hardships to some external condition about which they can do nothing: this is particularly true in the Maritimes, where Confederation and the Upper Canadian politicians furnish an easy scape-goat. The first task of the mass meeting is to blast these rationalizing habits of thought, and to get the people in the mood to do some serious thinking about their problems. The second task is to show the people that they themselves can do something about remedying their problems: speakers can refer to the success of co-operation in Sweden, Denmark, England, the United States; they can point to co-operative stores, credit unions, marketing schemes housing projects, and hospitalization schemes, all of which have been successfully organized and operated in the province of Nova Scotia itself.

The second stage in extension work is the organization of study clubs, or "neighborhood groups", as they may be called—groups of about a dozen people, men and women, who agree to meet regularly to study some specific problem, commonly an economic one. The study clubs are usually

organized right after the mass meeting; organization is difficult, owing to the novelty of the idea of the study club, and the fact that the members are often poorly educated, and unused to expressing their ideas. Consequently, a great deal of organizing ability and enthusiasm is required in organizing the clubs, and even more in keeping them going. Experience has shown that a successful club must have four characteristics: pleasant surroundings, a good leader, good material for study, and, most important, an object a purpose for studying. Study clubs are therefore organized around some definite problem in most cases an economic one, such as the foundation of a credit union, the establishment of a marketing project, or the initiation of a store; and a successful study club usually results in economic action. It is this small study club, organized around a specific economic problem and leading to economic action, which has been the special creation of the Antigonish movement. The success of the technique is evident, not only in the success of the economic projects established, but in the effects it has had in educating the people, and giving them confidence in their ability to handle their own economic problems. The study clubs have produced the leaders of the movement.

The third technique of education is the association of study clubs in the same community. These associations of study clubs hold monthly rallies, with reports, special speakers, entertainment, and refreshments. These rallies serve the purpose of keeping the study clubs alive and active, by providing stimulating contacts and promoting friendly competition.

The study clubs, and the study club rallies, are supplemented by a large number of subsidiary techniques. These include short courses, given both at the University and in the local communities, which combine instruction in the practical and the philosophical aspects of the co-operative movement; the publication of a bi-weekly paper, the Maritime Co-operator, which serves as the journal of the movement; the use of the radio, and of printed material, to carry the message of the movement to the people; the provision of library service; and, finally, local, national and until the war international Conferences, concerned with the "big picture", the ultimate objectives of the Antigonish movement.

RESULTS

What results have been achieved by the Antigonish movement thus far? I have time only for a few statistics. For instance, in 1942 in the Maritime Provinces there were 400 credit unions, with approximately 56,000 members and over

two million dollars in assets. A credit union is a people's bank; it is financed by shares purchased by its members, and exists to provide short-term credit at a low rate to those members, for "provident and productive purposes." Credit unions also have the effect of promoting habits of thrift. Nova Scotia credit unions are organized into the Credit Union League of Nova Scotia, which in turn is linked with the Credit Union National Association in the United States. The credit union movement is developing rapidly, and is extending into the fields of long-term credit and co-operative insurance.

To take another example, in that same year, 1942, there were in the Maritime Provinces 103 Co-operative stores, and three co-operative wholesales. The stores and wholesales are run on the Rochdale principles: sales at market prices, cash trading, limited interest on capital, distribution of savings in proportion to purchases, democratic control (one member, one vote). The aim is eventually to establish a central wholesale, and to go into manufacturing; when that aim is achieved, the co-operatives will be able to exercise an effective control over the big central Canadian corporations.

Other examples of successful co-operative endeavour are the Maritime Hospitalization scheme, which provides hospital care for the whole family at the low cost of \$18.00 per year; the co-operative canneries and packing plants, which by 1938 were doing an annual business of over a million dollars in lobsters alone; or the housing project at Reserve Mines, where eleven men, with the aid of a government loan and employing co-operative methods, built their own homes at a cost no greater than the rental on Company houses. These examples should serve to demonstrate that co-operative methods can be applied successfully in many fields. The figures which I have mentioned show the success of co-operation up to the present. What of the future? What role will co-operation play in the reconstruction period, and in the post-reconstruction era?

The co-operative movement has already received official recognition in the provisions being made for the peace settlement and the reconstruction period. The United Nations Relief and Rehabilitation Administration, charged with the task of providing supplies and equipment for the relief and rehabilitation of liberated countries, has announced its intention of distributing supplies through the co-operative organizations of those countries, where they exist, as the quickest and most effective method of distribution. Moreover, many considerations suggest that co-operation may have an even wider role to play in the postwar world.

FREE ENTERPRISE VS. SOCIALISM

One of the chief issues in the public eye, and the public press, in Canada today is the controversy over "free enterprise" as opposed to "socialism"; in other words, the dispute between those who believe in private ownership and operation of industry, and those who desire social, i.e., government, ownership and management of the chief means of production and distribution. Actually, the bald statement of the controversy in the form "free enterprise vs. socialism" gives it the character of a battle of words, with little relevance to the facts of the situation; for it implies an entirely false view of the nature of social change. Society never has been, and never will be, faced with the possibility of making the choice between two entirely different systems of social organization: the passage from a social system dominated by one principle to a system dominated by another is always a slow, painful, and incomplete, process. The new system develops within the framework of the old, and remnants of the old survive into the new; and it is often difficult to see at what precise point the new system comes to overshadow the old. These considerations apply to the current controversy: for the present economic system is not one of private enterprise, but a mixture of private enterprise and government enterprise, and always has been, though the proportions have changed; and it is possible to go further, and say that it is a mixture of efficient and inefficient enterprises of both types. The current controversy, then, is not over which type of society we shall have, but over which principle of economic organization should be dominant; and we cannot even assume that the decision of the debate will decide the form of the society of the future.

It should be possible, however, to throw some light on the issue by studying the underlying factors which have forced it into the public consciousness. The fundamental fact in the situation is the change in the nature of economic organization which has come with the evolution of industrial capitalism: with the increasing technical efficiency of the large-scale plant, the widening of the market by transportation and communication improvement, and the elaboration of methods of corporate financing, the small-scale competitive enterprise of early capitalism has been steadily replaced by the large-scale monopolistic corporation. While small-scale individual enterprises survive, corporate enterprise dominates the economy; and that means that the old arguments for freedom of initiative and enterprise elaborated by Adam Smith and his successors, which run in terms of the individual entrepreneur and the beneficence of freedom and competition, no longer fit the facts of economic organization. The

economic system is a system, not of free individual enterprise, but of free corporate enterprise, which is an entirely different thing: just how different, may be appreciated by reading the Report of the Royal Commission on Price Spreads and Mass Buying, or Berle and Means: "The Modern Corporation and Private Property."

The change from individual to corporate enterprise has brought changes in the whole nature of enterprise, and in the social and economic effects of competition. With the dominance of the corporation; entrepreneurship has ceased to be an opportunity open to all: it has become largely a function of the corporations, and the individual has been forced to find his opportunities chiefly within the hierarchy of corporate officialdom; and that in turn has meant that entrepreneurship has become more a matter of class position than of ability and effort. With the dominance of corporate enterprise, again, competition has ceased to be the guarantee of the best goods at the lowest possible prices: competition has become monopolistic competition, and has resulted in the economic wastes of excess capacity, over-service to the consumer, and large advertising expenditures.

The result of the changed nature of enterprise has been the emergence of a sizeable body of public opinion which condemns the principle of "free enterprise", and argues for public ownership of at least the chief industrial enterprises. This group maintains that "free enterprise" means freedom for the corporations to exploit the people, and argues for subordination of the corporations to the public interest through government ownership and operation. Their argument is perfectly sound, if public ownership actually will bring operation in the public interest; but it is doubtful whether it will, since the people have not yet been educated into responsible citizens, able to exercise intelligent democratic control over their governments. There is therefore a danger that government ownership will give rise to bureaucratic and dictatorial methods. In this possibility rests the truth in the position of those who argue the cause of "free enterprise", and claim that government ownership will result in the loss of freedom; but the latter fail in most cases to see that individual freedom is no less jeopardized by the dominance of the corporation.

Both sides, insofar as they are sincere are in large measure arguing for the same thing—the fullest possible opportunity for individual development—but each neglects to consider a part of the facts: the socialist, that government ownership in the present stage of social development may easily involve restrictions on the liberty of the individual, over-centralization, bureaucracy, and some degree of authoritarianism; the

free enterpriser, that the days of small-scale individual enterprise are gone, and that the economic system is dominated by big business. Furthermore, small-scale enterprise, in the 19th century sense of the term, can never be restored: the large-scale business unit, exemplified by the super-corporation, has developed in response to certain technological and economic factors which will persist in the future and require even larger business organizations. The problem of democracy is not to destroy these large business units, an impossible task anyway, but to restore them to the control of the people. That is the aim of the socialists; but I have already discussed the threat to liberty, under present conditions, involved in government administration of the economy. The alternative method of control is for the people to go into big business for themselves: and that is where co-operation comes in.

CO-OPERATION, THE PEOPLE'S WAY

For co-operation is the people's way into big business. The masses cannot hope to get into big business as individual producers; they have neither the resources nor the capacity for that; but by co-operating as consumers, they can on the one hand retain the advantages of free enterprise, and on the other hand they can, by their competition, force the corporations into the service of the people. Consumers' co-operation is in fact the people's free enterprise: it is the democratic way of carrying on big business. And if socialism does come, to the extent that the people have been educated by economic co-operation, they will be able to exercise effective democratic control over their government.

Co-operation, then, is the effective way to preserve the advantages of free enterprise. More than that, co-operation may provide the dynamic principle on which a better post-war world may be based. We cannot build a better world solely on a philosophy of social security and "full employment"; such a philosophy is negative, lacking the power to motivate human development; and those who insist on "security" as the only postwar aim are Quislings to social progress. Social and economic security are essentials; but if our civilization is to advance, socially and economically, it must find some dynamic idea, some new principle to motivate men to action. "Free enterprise" no longer commands the undivided loyalty of men: perhaps co-operation will provide the explosive idea for the new world of the common man.









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